INCOMING TELEGRAM — Department of State — ACTION COPY

DEPARTMENT OF STATE A/GDC/MR

REVIEWED BY J.M. Raz DATE May 6, 1982 CONFIDENTIAL

32

Action XD EXT. DATE
NUM. PCA CN(S)
AF FROM: Benghazi
Info

RMR TO: Secretary of State

NO: 190, April 25, 6 p.m.

Control: 17162
Rec'd: April 26, 1958
9:06 a.m.

SS
G
SP
C-1
C-2
W
L
INR
EUR
WMSC
E
ICA

PRIORITY

SENT DEPARTMENT 190, REPEATED INFORMATION LONDON PRIORITY 20, TRIPOLI UNNUMBERED VIA POUCH.

DEPTEL 825.

Reviewed US FY 1958 assistance with Prime Minister Friday noon. Left him memo.

(A) Listing assured funds totalling $20 million (in millions, $4 special funds; $9.5 DS for development including education; $1 rupee equivalent for development; $3 commodity import proceeds and $2.5 additional DS for either development or budgetary support);

(B) Reminded him DLF applications under consultation $6 million Tripoli power, $5.6 million agricultural bank, further applications for certain projects desired by GOL could be made;

(C) Up to 10,000 tons wheat available for relief if need justified;

(D) Willing provide agreed items equipment for Libyan Army suitable size, and DS funds made available for budgetary support could be used cover military costs not usually defrayed by US military assistance funds, i.e., pay and allowances, local supplies.

Reaction friendly but noncommittal. Prime Minister asked questions about several aspects of offer, complained about offer loans instead grants and about uncertainty American aid due annual appropriation procedure, finally agreed details should be discussed

THIS DOCUMENT MUST BE RETURNED TO THE RM/R CENTRAL FILES

773.5 MSP/4-2558

HB8

UNLESS "UNCLASSIFIED" REPRODUCTION FROM THIS COPY IS PROHIBITED.

PERMANENT RECORD COPY • This copy must be returned to RM/R central files with notation of action taken •

CONFIDENTIAL

DECLASSIFIED

be discussed by Gordon, Shaglouf, other technical experts. He expressed appreciation this full exposition total American aid FY 1958 which would be useful his London talks. I replied that with knowledge full extent American aid plus British aid to be negotiated next week London I hoped he would find that together US/UK assistance would meet Libya's reasonable needs for its FY 1958-1959.

Above passed to British Embassy here.

FYI: Although no definite commitment expressed, Prime Minister on whole appeared satisfied. Questions asked about possible budgetary support indicated Prime Minister prepared accept such support from US, contrary to previous GOL bargaining position during British talks that US aid not sufficiently assured from year to year for budgetary support and in any event should be reserved for economic development.

END FYI.

JONES

SW:ET/5

DECLASSIFIED